

a motor vehicle or item of motor vehicle equipment conforms to all applicable Federal motor vehicle safety standards” are omitted because of the restatement. The words “shown by” are substituted for “in the form of” in 15:1403 for clarity.

#### AMENDMENTS

2000—Pub. L. 106-414 designated existing provisions as subsec. (a), inserted heading, and added subsec. (b).

#### FOLLOW-UP REPORT

Pub. L. 106-414, §16, Nov. 1, 2000, 114 Stat. 1808, provided that: “One year after the date of the enactment of this Act [Nov. 1, 2000], the Secretary of Transportation shall report to the Congress on the implementation of the amendments made by this Act [see Short Title of 2000 Amendment note set out under section 30101 of this title] and any recommendations for additional amendments for consumer safety.”

### § 30116. Defects and noncompliance found before sale to purchaser

(a) **ACTIONS REQUIRED OF MANUFACTURERS AND DISTRIBUTORS.**—If, after a manufacturer or distributor sells a motor vehicle or motor vehicle equipment to a distributor or dealer and before the distributor or dealer sells the vehicle or equipment, it is decided that the vehicle or equipment contains a defect related to motor vehicle safety or does not comply with applicable motor vehicle safety standards prescribed under this chapter—

(1) the manufacturer or distributor immediately shall repurchase the vehicle or equipment at the price paid by the distributor or dealer, plus transportation charges and reasonable reimbursement of at least one percent a month of the price paid prorated from the date of notice of noncompliance or defect to the date of repurchase; or

(2) if a vehicle, the manufacturer or distributor immediately shall give to the distributor or dealer at the manufacturer's or distributor's own expense, the part or equipment needed to make the vehicle comply with the standards or correct the defect.

(b) **DISTRIBUTOR OR DEALER INSTALLATION.**—The distributor or dealer shall install the part or equipment referred to in subsection (a)(2) of this section. If the distributor or dealer installs the part or equipment with reasonable diligence after it is received, the manufacturer shall reimburse the distributor or dealer for the reasonable value of the installation and a reasonable reimbursement of at least one percent a month of the manufacturer's or distributor's selling price prorated from the date of notice of noncompliance or defect to the date the motor vehicle complies with applicable motor vehicle safety standards prescribed under this chapter or the defect is corrected.

(c) **ESTABLISHING AMOUNT DUE AND CIVIL ACTIONS.**—The parties shall establish the value of installation and the amount of reimbursement under this section. If the parties do not agree, or if a manufacturer or distributor refuses to comply with subsection (a) or (b) of this section, the distributor or dealer purchasing the motor vehicle or motor vehicle equipment may bring a civil action. The action may be brought in a United States district court for the judicial district in which the manufacturer or distributor

resides, is found, or has an agent, to recover damages, court costs, and a reasonable attorney's fee. An action under this section must be brought not later than 3 years after the claim accrues.

(Pub. L. 103-272, §1(e), July 5, 1994, 108 Stat. 947.)

#### HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
30116(a) .....	15:1400(a) (less (2) (last 97 words)).	Sept. 9, 1966, Pub. L. 89-563, §111, 80 Stat. 724.
30116(b) .....	15:1400(a)(2) (last 97 words).	
30116(c) .....	15:1400(b), (c).	

In subsection (a)(1), the words “as the case may be”, “from such distributor or dealer”, “all . . . involved”, and “by the manufacturer or distributor” are omitted as surplus.

In subsection (a)(2), the words “manufacturer's or distributor's” are substituted for “his” for clarity. The words “or parts” are omitted because of 1:1. The words “the vehicle comply with the standards or correct the defect” are substituted for “conforming” for clarity.

In subsection (b), the words “the part or equipment referred to in subsection (a)(2) of this section” are added because of the restatement. The words “If the distributor or dealer installs the part or equipment with reasonable diligence after it is received, the manufacturer shall reimburse the distributor or dealer” are substituted for “and for the installation involved the manufacturer shall reimburse such distributor or dealer . . . *Provided, however,* That the distributor or dealer proceeds with reasonable diligence with the installation after the required part, parts or equipment are received” to eliminate unnecessary words. The words “on or in such vehicle” are omitted as surplus. The words “notice of noncompliance or defect” are substituted for “notice of such nonconformance”, and the words “complies with applicable motor vehicle safety standards prescribed under this chapter or the defect is corrected” are substituted for “is brought into conformance with applicable Federal standards”, to eliminate unnecessary words and for consistency in the revised title.

In subsection (c), the words “the amount of reimbursement” are substituted for “such reasonable reimbursements” for clarity and because of the restatement. The words “by mutual agreement” are omitted as surplus. The words “If the parties do not agree” are substituted for “or failing such agreement”, and the words “by the court pursuant to the provisions of subsection (b) of this section” are omitted, because of the restatement. The words “the requirements of”, “then”, “as the case may be”, and “without respect to the amount in controversy” are omitted as surplus. The words “civil action” are substituted for “suit” because of rule 2 of the Federal Rules of Civil Procedure (28 App. U.S.C.). The words “against such manufacturer or distributor” are omitted as surplus. The word “judicial” is added for consistency. The words “to recover damages, court costs, and a reasonable attorney's fee” are substituted for “and shall recover the damage by him sustained, as well as all court costs plus reasonable attorneys' fees”, and the words “must be brought” are substituted for “shall be forever barred unless commenced”, to eliminate unnecessary words. The word “claim” is substituted for “cause of action” for consistency.

### § 30117. Providing information to, and maintaining records on, purchasers

(a) **PROVIDING INFORMATION AND NOTICE.**—The Secretary of Transportation may require that each manufacturer of a motor vehicle or motor vehicle equipment provide technical information related to performance and safety required

to carry out this chapter. The Secretary may require the manufacturer to give the following notice of that information when the Secretary decides it is necessary:

(1) to each prospective purchaser of a vehicle or equipment before the first sale other than for resale at each location at which the vehicle or equipment is offered for sale by a person having a legal relationship with the manufacturer, in a way the Secretary decides is appropriate.

(2) to the first purchaser of a vehicle or equipment other than for resale when the vehicle or equipment is bought, in printed matter placed in the vehicle or attached to or accompanying the equipment.

(b) MAINTAINING PURCHASER RECORDS AND PROCEDURES.—(1) A manufacturer of a motor vehicle or tire (except a retreaded tire) shall cause to be maintained a record of the name and address of the first purchaser of each vehicle or tire it produces and, to the extent prescribed by regulations of the Secretary, shall cause to be maintained a record of the name and address of the first purchaser of replacement equipment (except a tire) that the manufacturer produces. The Secretary may prescribe by regulation the records to be maintained and reasonable procedures for maintaining the records under this subsection, including procedures to be followed by distributors and dealers to assist the manufacturer in obtaining the information required by this subsection. A procedure shall be reasonable for the type of vehicle or tire involved, and shall provide reasonable assurance that a customer list of a distributor or dealer, or similar information, will be made available to a person (except the distributor or dealer) only when necessary to carry out this subsection and sections 30118–30121, 30166(f), and 30167(a) and (b) of this title. Availability of assistance from a distributor or dealer does not affect an obligation of a manufacturer under this subsection.

(2)(A) Except as provided in paragraph (3) of this subsection, the Secretary may require a distributor or dealer to maintain a record under paragraph (1) of this subsection only if the business of the distributor or dealer is owned or controlled by a manufacturer of tires.

(B) The Secretary shall require each distributor and dealer whose business is not owned or controlled by a manufacturer of tires to give a registration form (containing the tire identification number) to the first purchaser of a tire. The Secretary shall prescribe the form, which shall be standardized for all tires and designed to allow the purchaser to complete and return it directly to the manufacturer of the tire. The manufacturer shall give sufficient copies of forms to distributors and dealers.

(3)(A) The Secretary shall evaluate from time to time how successful the procedures under paragraph (2) of this subsection have been in helping to maintain records about first purchasers of tires. After each evaluation, the Secretary shall decide—

(i) the extent to which distributors and dealers have complied with the procedures;

(ii) the extent to which distributors and dealers have encouraged first purchasers of tires to register the tires; and

(iii) whether to prescribe for manufacturers, distributors, or dealers other requirements that the Secretary decides will increase significantly the percentage of first purchasers of tires about whom records are maintained.

(B) The Secretary may prescribe a requirement under subparagraph (A) of this paragraph only if the Secretary decides it is necessary to reduce the risk to motor vehicle safety, after considering—

(i) the cost of the requirement to manufacturers and the burden of the requirement on distributors and dealers, compared to the increase in the percentage of first purchasers of tires about whom records would be maintained as a result of the requirement;

(ii) the extent to which distributors and dealers have complied with the procedures in paragraph (2) of this subsection; and

(iii) the extent to which distributors and dealers have encouraged first purchasers of tires to register the tires.

(C) A manufacturer of tires shall reimburse distributors and dealers of that manufacturer's tires for all reasonable costs incurred by the distributors and dealers in complying with a requirement prescribed by the Secretary under subparagraph (A) of this paragraph.

(D) After making a decision under subparagraph (A) of this paragraph, the Secretary shall submit to each House of Congress a report containing a detailed statement of the decision and an explanation of the reasons for the decision.

(c) ROLLOVER TESTS.—

(1) DEVELOPMENT.—Not later than 2 years from the date of the enactment of this subsection, the Secretary shall—

(A) develop a dynamic test on rollovers by motor vehicles for the purposes of a consumer information program; and

(B) carry out a program of conducting such tests.

(2) TEST RESULTS.—As the Secretary develops a test under paragraph (1)(A), the Secretary shall conduct a rulemaking to determine how best to disseminate test results to the public.

(3) MOTOR VEHICLES COVERED.—This subsection applies to motor vehicles, including passenger cars, multipurpose passenger vehicles, and trucks, with a gross vehicle weight rating of 10,000 pounds or less. A motor vehicle designed to provide temporary residential accommodations is not covered.

(Pub. L. 103–272, §1(e), July 5, 1994, 108 Stat. 948; Pub. L. 106–414, §12, Nov. 1, 2000, 114 Stat. 1806.)

#### HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
30117(a) .....	15:1397(a)(1)(B), (E) (as 1397(a)(1)(B), (E) relates to 15:1401(d)).	Sept. 9, 1966, Pub. L. 89–563, §108(a)(1)(B) (related to §112(d)), (D) (related to §158(b)), (E) (related to §112(d)), 80 Stat. 722; Oct. 27, 1974, Pub. L. 93–492, §103(a)(1)(A), (2), (3), 88 Stat. 1477, 1478.
	15:1401(d).	Sept. 9, 1966, Pub. L. 89–563, §112(d), 80 Stat. 725; May 22, 1970, Pub. L. 91–265, §3, 84 Stat. 262.
30117(b) .....	15:1397(a)(1)(D) (related to 15:1418(b)).	

## HISTORICAL AND REVISION NOTES—CONTINUED

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
	15:1418(b)(1).	Sept. 9, 1966, Pub. L. 89-563, 80 Stat. 718, §158(b)(1); added Oct. 27, 1974, Pub. L. 93-492, §102(a), 88 Stat. 1476; Nov. 6, 1978, Pub. L. 95-599, §317, 92 Stat. 2752; Oct. 15, 1982, Pub. L. 97-331, §4(a)(1), 96 Stat. 1619.
	15:1418(b)(2), (3).	Sept. 9, 1966, Pub. L. 89-563, 80 Stat. 718, §158(b)(2), (3); added Oct. 15, 1982, Pub. L. 97-331, §4(a)(2), 96 Stat. 1620.

In this section, the text of 15:1397(a)(1)(B) (related to 15:1401(d)), (D) (related to 15:1418(b)), and (E) (related to 15:1401(d)) is omitted as surplus.

In subsection (a), before clause (1), the words “such performance data and other”, “as may be”, “the purposes of”, “performance and technical”, and “to carry out the purposes of this chapter” the 2d time they appear are omitted as surplus. In clause (1), the words “such manufacturer’s” and “which may include, but is not limited to, printed matter (A) available for retention by such prospective purchaser and (B) sent by mail to such prospective purchaser upon his request” are omitted as surplus. The words “legal relationship” are substituted for “contractual, proprietary, or other legal relationship” to eliminate unnecessary words.

In subsection (b)(1), the word “cause to be maintained” is substituted for “cause the establishment and maintenance of” to eliminate unnecessary words. The words “prescribe by regulation” are substituted for “by rule, specify” for consistency and because “rule” and “regulation” are synonymous. The words “under this subsection” are added for clarity. The word “involved” is substituted for “for which they are prescribed” to eliminate unnecessary words. The words “the purpose of” and “except that . . . or not” are omitted as surplus. The words “from a distributor or dealer” are added for clarity.

In subsection (b)(3)(A), before clause (i), the words “At the end of the two-year period following the effective date of this paragraph” are omitted as expired. In clause (iii), the words “(or any combination of such groups)” are omitted as unnecessary.

In subsection (b)(3)(B), before clause (i), the words “may prescribe a requirement” are substituted for “may order by rule the imposition of requirements” for consistency and to eliminate unnecessary words.

## REFERENCES IN TEXT

The date of the enactment of this subsection, referred to in subsec. (c)(1), is the date of enactment of Pub. L. 106-414, which was approved Nov. 1, 2000.

## AMENDMENTS

2000—Subsec. (c). Pub. L. 106-414 added subsec. (c).

## 15-PASSENGER VAN SAFETY

Pub. L. 109-59, title X, §10309(a), Aug. 10, 2005, 119 Stat. 1942, provided that:

“(1) IN GENERAL.—The Secretary of Transportation shall require the testing of 15-passenger vans as part of the rollover resistance program of the National Highway Traffic Safety Administration’s new car assessment program.

“(2) 15-PASSENGER VAN DEFINED.—In this subsection, the term ‘15-passenger van’ means a vehicle that seats 10 to 14 passengers, not including the driver.”

**§ 30118. Notification of defects and noncompliance**

(a) NOTIFICATION BY SECRETARY.—The Secretary of Transportation shall notify the manufacturer of a motor vehicle or replacement

equipment immediately after making an initial decision (through testing, inspection, investigation, or research carried out under this chapter, examining communications under section 30166(f) of this title, or otherwise) that the vehicle or equipment contains a defect related to motor vehicle safety or does not comply with an applicable motor vehicle safety standard prescribed under this chapter. The notification shall include the information on which the decision is based. The Secretary shall publish a notice of each decision under this subsection in the Federal Register. Subject to section 30167(a) of this title, the notification and information are available to any interested person.

(b) DEFECT AND NONCOMPLIANCE PROCEEDINGS AND ORDERS.—(1) The Secretary may make a final decision that a motor vehicle or replacement equipment contains a defect related to motor vehicle safety or does not comply with an applicable motor vehicle safety standard prescribed under this chapter only after giving the manufacturer an opportunity to present information, views, and arguments showing that there is no defect or noncompliance or that the defect does not affect motor vehicle safety. Any interested person also shall be given an opportunity to present information, views, and arguments.

(2) If the Secretary decides under paragraph (1) of this subsection that the vehicle or equipment contains the defect or does not comply, the Secretary shall order the manufacturer to—

(A) give notification under section 30119 of this title to the owners, purchasers, and dealers of the vehicle or equipment of the defect or noncompliance; and

(B) remedy the defect or noncompliance under section 30120 of this title.

(c) NOTIFICATION BY MANUFACTURER.—A manufacturer of a motor vehicle or replacement equipment shall notify the Secretary by certified mail, and the owners, purchasers, and dealers of the vehicle or equipment as provided in section 30119(d) of this section, if the manufacturer—

(1) learns the vehicle or equipment contains a defect and decides in good faith that the defect is related to motor vehicle safety; or

(2) decides in good faith that the vehicle or equipment does not comply with an applicable motor vehicle safety standard prescribed under this chapter.

(d) EXEMPTIONS.—On application of a manufacturer, the Secretary shall exempt the manufacturer from this section if the Secretary decides a defect or noncompliance is inconsequential to motor vehicle safety. The Secretary may take action under this subsection only after notice in the Federal Register and an opportunity for any interested person to present information, views, and arguments.

(e) HEARINGS ABOUT MEETING NOTIFICATION REQUIREMENTS.—On the motion of the Secretary or on petition of any interested person, the Secretary may conduct a hearing to decide whether the manufacturer has reasonably met the notification requirements under this section. Any interested person may make written and oral presentations of information, views, and arguments